

STATE OF VERMONT  
PUBLIC SERVICE BOARD

Docket No. 6596

Tariff filing of Citizens Communications Company,  
d/b/a Citizens Energy Services, requesting a rate  
increase in the amount of 40.02%, to take effect  
December 15, 2001

PREFILED TESTIMONY OF  
SHARON L. ALLEN  
ON BEHALF OF THE  
VERMONT DEPARTMENT OF PUBLIC SERVICE

March 7, 2002

Summary: The purpose of Ms. Allen's testimony is to recommend that the Board order Citizens Communications Company to modify its practices regarding the availability of budget billing for disconnected customers and to provide the rationale for that recommendation.

Prefiled Testimony  
of  
Sharon L. Allen

1 Q. Please state your name and occupation.

2 A. My name is Sharon Allen and I am the Senior Consumer Affairs and Information  
3 Specialist for the Vermont Department of Public Service (“Department” or “DPS”).

4 Q. Have you previously testified before this Board?

5 A. Yes, in Docket Number 6012, Investigation into the Deregulation of Payphones.

6 Q. Please describe your qualifications.

7 A. I have worked for the Department since October 1997, first in the position of  
8 Consumer Affairs and Information Specialist and then, beginning in October of 2000, as  
9 Senior Consumer Affairs and Information Specialist. I have a BA in psychology from  
10 Goddard College. I have three years experience working in the Cellular Communications  
11 field and over eight years experience working as an advocate for a variety of low income,  
12 affordable housing, environmental conservation, mental health and homeless  
13 organizations.

14 Q. What are your job responsibilities for the DPS’s Consumer Affairs and Public Information  
15 Division (CAPI)?

16 A. My responsibilities include: listening to the concerns of the public, providing  
17 information, and working with consumers and utilities to resolve complaints for individual  
18 consumers and groups of consumers; providing information to utilities who request  
19 guidance on compliance with state public service regulations; reviewing proposed tariffs  
20 and making recommendations on consumer protections, especially those relevant to low  
21 income Vermonters; researching and monitoring consumer protection trends relative to

1 public utilities in Vermont; reviewing patterns of consumer complaints and making  
2 recommendations on enforcement, informational, and advocacy actions; and coaching and  
3 providing quality control for other CAPI advocates.

4 Q. What is the purpose of your testimony?

5 A. The purpose of my testimony to recommend that the Board order Citizens  
6 Communications Company (Citizens) to modify its practices regarding the availability of  
7 budget billing for disconnected customers and to provide the rationale for that  
8 recommendation.

9 Q. What concerned you in regards to Citizens practices?

10 A. Based on consumer complaints, the Department believes that the company is  
11 misinterpreting Board rules concerning budget billing. In the Department's Fourth Set of  
12 Formal Information Requests we provided Citizens with the DPS understanding of the  
13 rule and asked Citizen's if it disagreed with our understanding. Citizens responded by  
14 stating that it disagreed with DPS's contention that budget billing is available to  
15 consumers, even if they have been disconnected. My testimony shows how Board rules  
16 do, in fact, support customers having the option of budget billing even when disconnected.

17 Q. Please explain.

18 A. The response to Data Request No. 1, DPS Fourth Set of Information Requests  
19 outlines the company's position that a consumer may elect budget billing as a payment  
20 option up to the point of disconnection, but not after. In support of this Citizen's refers to  
21 section 3.307 (B) of Vermont Public Service Board Rules which states,

22 The company shall restore service if the disconnected customer pays one

1 half of the delinquent bill, or a lesser negotiated amount, before restoration  
2 and enters into a repayment plan to pay the balance over a minimum period  
3 of three months, except that the company is not obligated to enter into  
4 more than two plans of this type with a particular customer within a given  
5 year.

6 Q. Does the Department agree with this assessment?

7 A. No, the Department believes that nothing in this section precludes a consumer  
8 from opting for the budget plan to restore service. The section quoted by the company  
9 must be read with the budget billing provisions of the rule. The above quoted section  
10 constitutes the restoration guidelines, but nowhere does it state that budget billing is  
11 unavailable to disconnected customers. Furthermore, Section 3.302 (D) (4) of the Public  
12 Service Board Rules states, “[a]ny customer who applies for the plan [budget billing] and  
13 has a delinquent balance shall have the right to pay for the delinquency in an extended  
14 repayment plan concurrent with the budget plan.”

15 The rule states no restriction making budget billing unavailable to customers who  
16 have been disconnected. It stands to reason that, if the customers are not obligated under  
17 Section 3.307(B) to pay the full amount of the delinquency to restore service, and  
18 customers have the right to a budget plan with a concurrent extended repayment plan, that  
19 customers are entitled to the budget plan at the time of restoration. This interpretation  
20 gives effect to both sections of the rule.

21 Q. Does any utility share the Department’s interpretation?

22 A. Yes, both Green Mountain Power and Central Vermont Public Service will offer a  
23 disconnected customer budget billing.

24 Q. What benefits are there to this interpretation of this rule?

1       A.           Board Rules in general support the parallel goals of keeping power on for all  
2       customers and ensuring companies can collect monies owed them. These goals are  
3       consistent throughout the rules. Specifically, in Section 3.307 (B), quoted above, the  
4       Board clearly imagines the company and customer working together to establish a  
5       repayment plan that is realistic, allowing the customer to meet the payment expectation  
6       and the company to collect money it is owed. These parallel goals are further supported by  
7       Section 3.302 (G) Establishment of a Reasonable Repayment Plan, which directs the  
8       company to consider, when deciding on arrangement terms "...the income and income  
9       schedule of the customer if offered by the customer, the customer's payment history, the  
10      size of the arrearage and current bill, the amount of time and reason for the outstanding  
11      bill and whether the delinquency was caused by unforeseen circumstances." Budget billing,  
12      with an extended repayment plan, is an option designed to meet the dual goals of realistic  
13      customer payment and collection by the company of monies it is owed.

14  
15     Q.           What action should the Board take?

16     A.           The Board should direct Citizens to make its practices consistent with Board Rules  
17     by offering budget billing and concurrent extended repayment plans to disconnected  
18     customers.

19     Q.           Does this conclude your testimony?

20     A.           It does, thank you.